



STATE OF UTAH  
NATURAL RESOURCES  
Oil, Gas & Mining

Norman H. Bangerter, Governor  
Dee C. Hansen, Executive Director  
Dianne R. Nielson, Ph.D., Division Director

355 W. North Temple • 3 Triad Center • Suite 350 • Salt Lake City, UT 84180-1203 • 801-538-5340

October 11, 1985

Mr. Jerry Mansfield  
Division of State Lands and Forestry  
3 Triad Center, Suite 400  
355 West North Temple  
Salt Lake City, Utah 84180-1204

Dear Mr. Mansfield:

RE: Bond Replacement, Western Clay Company, Redmond Bentonite  
Pit, ACT/041/012, Sevier County, Utah

Western Clay currently has sureties held by the Division  
of State Lands and Forestry for the Redmond Bentonite Pit  
(ML1937) in the amounts as follows:

1. Certificate of Deposit (CD) Number \_\_\_\_\_ for  
\$5,000.00 from Zions First National Bank.
2. Time Deposit Accounting Number \_\_\_\_\_ for \$2,000.00  
from First Security Bank.

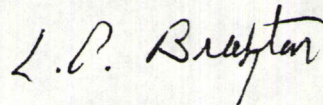
The Division of Oil, Gas and Mining (DOGM) has received an  
irrevocable letter of credit in the amount of \$17,600.00 from  
Western Clay to cover this amount held by the Division plus an  
additional bond amount for modifications to their permit. This  
irrevocable letter of credit satisfies the requirements of the  
Division of Oil, Gas and Mining and is written to and will be  
held by the Division of State Lands and Forestry as surety for  
the operation. DOGM will release their certificate of deposit



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Mr. Jerry Mansfield  
ACT/041/012  
October 11, 1985

for \$1,000.00 currently held by DOGM and requests that your Division release their certificates of deposit on receipt of attached irrevocable letter of credit and letter requesting the release of the CDs by Western Clay.

Sincerely,



L. P. Braxton  
Administrator  
Mineral Resource Development  
and Reclamation Program

JRH:jvb  
Enclosure  
cc: P. Grubaugh-Littig  
R. Harden  
1011R-48 & 49



# WESTERN CLAY COMPANY

INDUSTRIAL / AGRICULTURAL MINERALS

October 3, 1985

CERTIFIED RETURN RECEIPT REQUESTED  
P-005-711-277

RECEIVED

OCT 07 1985

DIVISION OF  
GAS & MIN.

Mr. J. Randall Harden  
Reclamation Engineer  
Division of Oil, Gas and Mining  
State of Utah Natural Resources  
355 West Temple, 3 Triad Center, Suite 350  
Salt Lake City, UT 84180-1203

Dear Randy,


This morning I received the irrevocable letter of credit from the bank in the amount of \$17,600.00. This will cover the entire amount required on lease #ML1937 at the present time. This letter is enclosed.

Please return the following sureties.

1. Certificate of Deposit Number [redacted] for \$5,000 from Zions First National Bank
2. Time Deposit Accounting Number [redacted] for \$2,000 from First Security Bank
3. Time Certificate of Deposit Number [redacted] for \$1,000 from Zions First National Bank

Thank you.

Sincerely,

  
Neal J. Mortensen  
President

1r



ESTABLISHED 1873

P.O. Box 30709  
Salt Lake City, Utah 84130 U.S.A.

Telephone: 801/524-4916  
Telex: 389-437 Answerback: INTBKZIONS SLC

Utah State Land and Forestry  
355 West North Temple  
3 Triad Center, Suite 350  
Salt Lake City, Utah 84180

DATE: September 27, 1985

LETTER OF CREDIT NO.:

We hereby establish our *Irrevocable Letter of Credit* in your favor for the account of

Western Clay Company, a Corporation 508 East Center, Aurora, Utah 84620

up to the aggregate amount of \$17,600.00\*\*

available by your draft(s) drawn at Sight

on Zions First National Bank, Salt Lake City, Utah

accompanied by

1. A statement purportedly signed by an official of Utah State Land and Forestry as follows: "We certify that our draft in the amount of \$ (amount of draft) is being drawn relative to Redmond Bentonite Pit, Utah ML1937."
2. Partial drawings are permitted.

[expired]

We hereby agree with drawers, endorsers and bona fide holders that all drafts drawn under and in compliance with the terms of this credit will be duly honored upon presentation and delivery of documents as specified to the drawee if drawn and presented for negotiation on or before September 4, 1986 at our bank.

The Amount and Date of Each Negotiation Must Be Endorsed on the Back Hereof by the Negotiating Bank.

"This Credit is Subject to the 'Uniform Customs and Practice for Documentary Credits (1983 Revision), International Chamber of Commerce, Publication No. 400'."

184-0002 12/84

Very Truly Yours,

Authorized Signature \_\_\_\_\_